

Growing pains? Rethinking the ‘immaturity’ of the European periphery¹

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Introduction

Recent literature on the eurozone crisis has begun to rethink those explanations of its origins that rely on narratives stressing the ‘immaturity’ of the peripheral European states.² These narratives, found in political, media and scholarly discourses, represent states like Ireland, Portugal, and particularly, Greece as to varying degrees profligate, corrupt, and generally lacking the mature, efficacious and responsible political culture necessary for prudent fiscal governance. This ‘lack of maturity’, unless corrected, is argued to be an insurmountable obstacle to a return to growth for these states. The works of Carlo Bastasin, Heikki Patomäki and Kostas A. Lavdas, Spyridon N. Litsas and Dimitrios V. Skiadas reviewed in this paper all recognise the limits of this kind of explanation, and attempt to move the debate on the Eurozone crisis beyond it. In this sense they are representative of an emerging literature that is rethinking the origins of the eurozone crisis. However, as will be shown, the project may also need to rethink the *asymmetry* of the crisis, in order to be fully realised.

The European periphery’s growing pains

The eurozone crisis has had detrimental economic and political consequences across Europe, but the ‘peripheral’ member states have been affected more severely than others.³ This asymmetry has frequently been explained through the concept of ‘immaturity’. Unlike relatively ‘mature’ European states such as Germany, the peripheral state is characterised by

¹ This article is forthcoming in Millennium Journal of International Studies.

² For the purposes of this article, the ‘peripheral’ European states refer chiefly, but not exhaustively, to those states that have reached a level of sovereign debt such that they applied for and received EU-ECB-IMF bailout funds, namely Greece, Ireland, Portugal, Spain and Cyprus.

³ Sebastian Dellepiane Avellaneda, Niamh Hardiman, ‘The European Context of Ireland’s Economic Crisis’, *The Economic and Social Review* 41, no. 4 (2010):473.

modes of domestic political and economic governance which ensure it is less insulated than it should be against exogenous shock.⁴ The relative severity of crisis in any peripheral state is argued to directly correlate to its level of immaturity.

The ‘immaturity thesis’ is a problem for the study of the eurozone crisis for a number of reasons. Clearly it has implications for the states themselves, as the thesis is most clearly apparent in the discourses of debt negotiations. The conditionality of the European Union-European Central Bank-International Monetary Fund (EU-ECB-IMF) agreements, as well as the emerging European institutional response to the crisis, are all characterised by measures designed to correct the immaturities of the peripheral states. In addition, as Kostas A. Lavdas, Spyridon N. Litasas and Dimitrios V. Skiadas note in *Stateness and Sovereign Debt: Greece in the European Conundrum* (2013), peripheral states have been the subject of populist outrage, ‘Greece has been presented in segments of the international press as the new rogue element of our times. Greece appears to have become the scape-goat for a systemic failure of huge proportions, while Greeks were presented in some European tabloids as nations of non-productive, lazy and unmistakably corrupt people’ (p. 175). Heikki Patomäki notes in *The Great Eurozone Disaster: From Crisis to Global New Deal* (2012) that in typical narratives of the eurozone crisis, ‘[i]nstead of critical examination and causal explanations, it is thus common simply to settle for a narrative about character flaws, as part of which blame is usually assigned. For instance it is quick and convenient to decide that Greece, Italy, Spain and Portugal have been living beyond their means and must now pay back their debt’, (p. 13).

It is also theoretically problematic. It is typically presented as a highly internalist framework that cannot take account of the international dimensions of the crisis. By placing primacy of focus on domestic governance, factors such as geopolitics, trade imbalances,

⁴See Patrick Honohan and Anthony J Leddin, ‘Ireland in EMU: More Shocks, Less Insulation?’ *The Economic and Social Review* 37, no.2 (2006):263-294.

international competitiveness, and financialisation are all relegated to being of secondary importance, if they are considered at all. In this regard, the immaturity thesis precludes an analysis that properly theorises and historicises the asymmetry of the eurozone. The immaturity thesis gives analytical priority to internal governance, without asking questions about the international factors that have a constitutive role in the possible forms this governance can take.

In *Saving Europe: How National Politics Nearly Destroyed the Euro* (2012), Carlo Bastasin recognises the limits of such representations, '[t]he crisis in the euro zone is not a story, certainly not only a story of delinquency in Greek government statistics. Neither is it a story of irreducible differences in national cultures that will forever separate a selfish but reliable North and an irresponsible and easygoing South. These are catchy suggestions ingrained in a corner of our experiences, in our need for categories and clichés, and also in our complacency with prejudices' (p.11).

The three works reviewed in this article represent an emerging project that demonstrates how the origins of the eurozone crisis cannot be reduced to the immaturity of the peripheral states. In the following section, a broad overview of these contributions will be provided, with specific focus on how each work provides its own 'rethinking' of the origins of the eurozone crisis. Once these have been established, the final section will identify how these new narratives have yet to provide a rethinking of the asymmetry of the crisis. It will be demonstrated that without this, the immaturity thesis tends to be inadvertently reproduced, even within more critical approaches.

Rethinking the origins of the eurozone crisis

The works reviewed here adopt two main approaches in their rethinking of the origins of the eurozone crisis. *Saving Europe* and *The Great Eurozone Disaster* aim to 'supplant' the

immaturity thesis by drawing attention to the structural or systemic character of the crisis, thereby diminishing the relevance of peripheral state governance. *Stateness and Sovereign Debt*, on the other hand, places analytical focus on the dynamics of Europeanization in shaping peripheral institutions and policies, thereby challenging the ‘internalism’ of the immaturity thesis.

Supplanting the immaturity thesis

In *Saving Europe*, Carlo Bastasin attempts to supplant the immaturity thesis by arguing that the ultimate cause of the eurozone crisis does not stem from patterns of peripheral state governance, but from a more general contradiction between the nation state and European integration. The nation state confronts him as an anachronism and an obstacle to interdependency (in this case a political, federal European Union). Bastasin provides a rich, often compelling retelling of the unfolding of the Eurozone crisis. He presents a history of the first five years of the crisis that is well researched and richly detailed, thereby ensuring its general utility to scholars of the crisis, although the book is directed more towards a non-academic audience.

Bastasin adopts a rational choice theory approach to explain the actions of national political actors in an integrated Europe.⁵ In doing so, he argues that national politics are ‘destroying the euro’ in two ways. Firstly, governments prefer policies that allow them to minimize the political cost relative to the result. As Bastasin notes ‘[t]hey do not want to lose the consensus of their voters when they must implement unpopular policies. Hence they look for “under the carpet” strategies’ (p. 8). This typically leads to the deferral of difficult

⁵ Carlo Bastasin, *Saving Europe: How National Politics Nearly Destroyed the Euro* (Washington DC: Brookings Institution Press, 2012), 8-11.

decisions, ‘behaviour which can slip out of control in a matter of years and then reveal its true face: political opportunism based on subconscious nationalism and hidden imbalances’ (p. 9).

Secondly, fear, mistrust and a lack of solidarity resulted in severe inaction on behalf of European leaders in tackling the crisis. This is partly to do with fears of moral hazard that have their roots in populist national narratives that essentialise indebted states such as Greece as ‘profligate sinners’ (the immaturity thesis itself then becomes a constitutive element of the crisis, manifested as populist political pressure, rather than simply a problematic explanation for the crisis). But it is also to do with the domestic political constraints of non-indebted countries – Bastasin demonstrates compellingly how states like Germany are understood as constrained by internal political forces, in this case, by the German Constitutional Court’s interpretation of EU law, blocking at various junctures recovery strategies involving the ECB, and the European Financial Stability Facility/European Stability Mechanism (EFSF/ESM).

For Bastasin, the history of European integration is characterised by national policy choices that have been abused as substitutes for structural reforms. These ‘tricks’ or strategies practiced by member states, in lieu of the structural reforms Bastasin calls for, contributed in different and substantial ways to the building of divergences and imbalances that ‘came close to destroying the euro area’ (p. 10). Although he recognises the positive role that the ECB, the fiscal compact and new governments in the periphery have played in restoring some sense of trust and allaying some fear, Bastasin thinks we are deceived if anything short of political union is posited as a solution to ‘the worst economic crisis in Europe’ (p. 12-15). Bastasin encourages us to recognise the crisis in the eurozone is the result of a general failure to reconcile national politics with the fact of interdependency and in this sense, shifts analytical primacy away from assumptions of peripheral immaturity.

Like Bastasin, in *The Great Eurozone Disaster*, Heikki Patomäki also attempts to supplant the immaturity thesis, by arguing that the Eurozone crisis stems directly from the US subprime crisis, and has nothing to do with the ‘differences in timing of business cycles in different euro countries’ (p. 60). Patomäki views the crisis as a continuation of the 2008 US crisis that is also symptomatic of a global crisis. He challenges the immaturity thesis by drawing attention to financialisation, trade imbalances, and the trajectories of global capitalism; relegating the causal role of the peripheral states.⁶ Patomäki adopts a Keynesian framework to study the origins of the eurozone crisis, before offering a radical new vision for ‘democratic global Keynesianism’ as the most, if not only, viable way out of the crisis.⁷ It is a cogent and provocative rethinking of the origins of the crisis that scholars working in the area will want to engage with, but will be of particular value to students new to the topic

The ‘great eurozone disaster’ is viewed as bound up in the inherent tendency of financial booms towards crisis, and the problems and asymmetries in the formation of aggregate demand, which have been caused by prevailing institutional arrangements.⁸ For Patomäki, it is a distinctly *global* crisis, with new financial technologies that have outstripped regulative capacity, a perverse boom culture, global inequalities in demand, and a lack of a global debt arbitration mechanism all playing causal roles.⁹ EMU itself is viewed as a (failed) ‘neoliberal experiment’ (p. 74), principally due to its lack of mechanisms and institutions that could ensure adequate levels of efficient demand in the European political economy as a whole.¹⁰ The asymmetry in Europe is largely explained by German surpluses corresponding to peripheral trade deficits. For Patomäki, loss of control over monetary policy meant that

⁶ Patomäki, *Eurozone Disaster*, 28-81.

⁷ Heikki Patomäki, *The Great Eurozone Disaster: From Crisis to Global New Deal* (London: Zed Books, 2012), 133-163, 168-193.

⁸ Ibid, 30, 31.

⁹ Ibid, 31-56.

¹⁰ Ibid, 67, 68.

peripheral states were unable to correct this imbalance through devaluation. This led to more debt being amassed to cope with trade imbalances.¹¹ It is these imbalances, rather than immature political cultures, that are of real significance for the relative severity in the periphery.

Patomäki is particularly insightful in anticipating the outcome of recovery strategies that reproduce the ‘neoliberal European project’ which could lead not only to deepening economic woes, but a crisis of political legitimacy (p. 116). These strategies, premised upon ‘correcting’ peripheral immaturity, are misguided because the real necessity is to envision a set of institutions that could adequately manage demand on a global scale.¹² Patomäki believes that if finance can be better regulated through currency exchange taxes, debt arbitration mechanisms and various radical cosmopolitan international governance institutions (including global democracy and a world parliament), more stable processes of economic growth can be established that rest on investment into fixed capital, labour, and the attendant growth in aggregate demand this will entail.¹³ As such, deeper union along mere fiscal disciplinary lines, informed by the logic of the ‘immaturity thesis’, will fail to solve Europe’s structural economic problems.¹⁴

The international dimensions of the crisis

In contrast to the above works, in their edited volume *Stateness and Sovereign Debt: Greece in the European Conundrum* by Kostas A. Lavdas, Spyridon N. Litsas, Dimitrios V. Skiadas redirect their focus back to the level of the peripheral state. However, it is the application of

¹¹ Ibid, 65-74.

¹² Ibid 102.

¹³ Ibid, 168-169.

¹⁴ Ibid, 116-119.

realist IR theory to the study of the eurozone crisis that represents its most original contribution. This approach contains the potential to challenge the immaturity thesis by understanding domestic political culture, policy and institutions as constituted in part by international factors. In this sense, rather than identifying alternative causes of the eurozone crisis ('supplanting' the immaturity thesis), as Patomäki and Bastasin have done, Lavdas, Litsas and Skiadas challenge the *internalism* at the heart of the immaturity thesis.

Stateness and Sovereign Debt aims to consider the eurozone crisis in a long term perspective, and in doing so, focus on the 'options, lost opportunities, and political possibilities examined against the background of the interaction of changes in politics, policy, and stateness in Greece in a comparative South European perspective' (p. 6). Intended for an interdisciplinary academic audience, *Stateness and Sovereign Debt* occupies a relatively unique position in the literature on the eurozone crisis. On the one hand, the historical chapters situate it within the broader comparative and case study literature on Southern Europe¹⁵, while the final sections of the book are devoted to legal-institutionalist discussion of the extant recovery strategies.

In the first two chapters, Lavdas outlines a comparative Southern European perspective, arguing that since the 1980s, 'full membership of the EC/EU has caused Greece severe problems and testing challenges'. As a result of 'rapid change, against a background of inherited institutions and practices that were ill equipped to cope, Greece found herself at a prolonged *juncture of stateness*' (p. 17). A number of unique characteristics of Greece and the Southern European state are then discussed, building up to a classification of its political culture as 'disjointed corporatism' (p. 28); a policy style that has resulted in a 'static and incoherent corporatism, constraining the liberal elements in the Greek economic system,

¹⁵ In this respect, it also bears a resemblance to the economic forecasts and reports of the IMF and EU on these states.

while at the same time being incapable of brokering intersectoral agreements and social pacts extending beyond wages' (p. 28).

The impact of Europeanisation is then analysed. This involves outlining a theory of 'interactive institutionalisation' between national and European levels of policy making, that analyses the extent to which pre-existing national arrangements result in a mismatch or misfit with the ones adopted by the EU.¹⁶ EU accession is considered to have been a mixed blessing for Greece, insofar as it represented an opportunity to capitalize on its positive aspects, but ultimately, the authors argue, the longer term structural deficiencies of Greece led to it becoming the EMUs weakest member.¹⁷ Lavdas notes that under conditions of EU membership 'we have no theoretical reason to anticipate findings suggesting that domestic features are immune to further evolution bearing the marks of increasing national-European interconnectedness' (p. 32). The realist IR perspective adopted offers real strength and potential for overcoming the immaturity thesis mainly because although the peripheral state may still be at the heart of this narrative, the authors are able to take international power politics seriously, and in doing so, recognise the *external* pressures, such as Europeanisation, that could have negatively impacted the peripheral political economy, and as such, lead to its relatively severe level of crisis.¹⁸

This point is developed further in the final chapter and afterword, where the authors present a legal institutionalist analysis to challenge the argument that the course of action taken by the EU-ECB-IMF was the only possible one, and attempt to 'identify solutions that could be applied in order to deal with the Greek debt crisis, without putting in danger the

¹⁶ Kostas A. Lavdas, 'Junctures of Stateness: The Historical and Regional Context', in Kostas A. Lavdas, Spyridon N. Litsas, Dimitrios V. Skiadas (eds), *Stateness and Sovereign Debt: Greece in the European Conundrum* (Plymouth: Lexington Books, 2013), 33.

¹⁷ Lavdas, 'Junctures of Stateness', 34.

¹⁸ Lavdas, 'Junctures of Stateness', 32-35.

national sovereignty of the country' (p. 162). In contrast to Bastasin, it is a strong and explicit argument against further integration for its own sake, and stresses an awareness of the political and social consequences of deepening the existing integration project.¹⁹ The authors note that the EU recovery measures, that approach a form of deepening integration, are perhaps the starting point of the dissolution of Greece's sovereignty, 'not in the sense of uploading preferences to the EU but in a vague process of dissolving national political volition in the context of a journey to an unknown destination. This may reduce Greece to an internally divided community being governed – in behavioural and to an extent also in legal terms – by an emerging, composite but overarching entity' (p. 177). Along with Patomäki²⁰, this work can be understood as contributing to a further important challenge to the immaturity thesis, because the EU-ECB-IMF compliance regimes are viewed as putting the very survival of the peripheral states at risk.²¹

Rethinking the asymmetry of the eurozone crisis

Each of the three books considered here clearly takes seriously the need to critically rethink the origins of the eurozone crisis, and each in their different ways, aims to decentre the causal role of the periphery from these narratives. However, as will now be shown, in spite of their sophistication, these new narratives tend to fall back upon variations of the immaturity thesis because they leave important assumptions regarding the *asymmetry* of the crisis, un-interrogated in their analyses.

Reverting to immaturity

¹⁹ Kostas A. Lavdas, Spyridon N. Litsas, Dimitrios V. Skiadas, 'Afterword: On the Different Ways of Transforming Stateness', in Kostas A. Lavdas, Spyridon N. Litsas, Dimitrios V. Skiadas (eds), *Stateness and Sovereign Debt: Greece in the European Conundrum* (Plymouth: Lexington Books, 2013), 177.

²⁰ Patomäki, *Eurozone Disaster*, 82-103.

²¹ Spyridon N. Litsas, 'State and Sovereignty: Mythical Talos and the Politics of Conventional Rationality', in Kostas A. Lavdas, Spyridon N. Litsas, Dimitrios V. Skiadas (eds), *Stateness and Sovereign Debt: Greece in the European Conundrum* (Plymouth: Lexington Books, 2013), 45.

In *Saving Europe*, the tensions between national politics and European integration are convincingly outlined. This general contradiction, of course, is true for all countries, and so falls short of actually supplanting the immaturity thesis, because it cannot, on its own, explain the *asymmetry* of the crisis.²² To account for it, Bastasin claims that *falling competitiveness* led the peripheral states to resort to ‘tricks’, which in turn became the fault lines from which the crisis emerged.²³ However, this leads us to recognise that there was a *pre-existing* imbalance and asymmetry which led to the peripheral states resort to ‘dangerous tricks’ in the first place. This is problematic for the final part of its argument, where *Saving Europe* claims that these tricks created the building of divergences and imbalances that came close to destroying the euro area. Although it is possible that these ‘tricks’ exacerbated the *existing divergences*, they cannot on their own explain the deeper, pre-existing asymmetry in Europe. He has a theory of why national policies are short sighted in general, but this cannot explain why it was Greece, Ireland, Portugal, etc. where the crisis has had the most severe economic and political consequences. Bastasin seeks primarily to provide an empirical rethinking of the history of the crisis from the perspective of political elites, and in this regard, it is not surprising that he spends little time developing a theory of the asymmetry of the crisis. However, without one, his work is entirely compatible with, and not a challenge to, the immaturity thesis.

Encountering a similar problem, *Stateness and Sovereign Debt* seeks to place the crisis in a historical and international perspective, thereby complicating internalist notions of immaturity in Greece. While this is important, the volume is less convincing in theorising the European origins of the crisis in Greece, than it is at problematising the European response after the fact. In accounting for the former, the authors present an explanation that ascribes primary causality to the political cultures of Southern Europe, leading them to reproduce, in

²² Bastasin, *Saving Europe*, 8.

²³ Ibid, 9-11.

clear terms, the immaturity thesis.²⁴ For example, the authors argue that the ‘inefficient and swollen public sector’ was the outcome of long established and institutionalized clientelist practices which constrained ‘the state’s ability to pursue consistent programs of public investment and industrial development’ (p. 29). They also note that the systemic nature of the main problems in Greece and other Southern European states is ‘ultimately linked to interest group politics and the structural power of key domestic actors’ (p. 29).

As such, the authors are not entirely successful at theorising the constitutive international causes of the crisis in Greece as they set out to do. The authors have established a framework to theorise the impact of Europeanisation and international politics on Greek policy transformation. However *Stateness and Sovereign Debt* tends to focus more on the internal political and economic governance of Greece *prior* to the crisis, when an elaboration of the impact of Europeanisation during this period could have been a more challenging contribution. In this sense, the authors fall into what Ian Bruff and Laura Horn identify as a common trap, moving swiftly from analysing the causes of the eurozone crisis itself, to analysing *responses* to it.²⁵ Indeed, *Stateness and Sovereign Debt* is a welcome argument for a recovery strategy that respects the sovereignty of Greece, and advocates a number of ways in which the periphery’s growing pains can be managed, but the authors nevertheless stress that Greece must overcome its immaturity, ‘Greece requires ‘large scale reform’, it needs to ‘privatise and liberalize, deep and fast’ (p. 181). The authors have ‘little doubt that Greece has to drastically change in almost every aspect of the economic procedure and of social life as well’ (p. 182). The asymmetry of the crisis remains accounted for by the immaturity thesis.

²⁴ Lavdas, ‘Junctures of Stateness’, 30.

²⁵ Ian Bruff and Laura Horn, “Varieties of capitalism in crisis?” in *Competition and Change* 16, no.3 (2012), 163.

Stateness and Sovereign Debt places the immaturity of the Greek state in historical context and in this sense represents a re-articulation of the thesis, rather than a rethinking of it.

From immaturity to ‘victimisation’

In *The Great Eurozone Disaster*, Patomäki also ends up inadvertently reproducing the immaturity thesis through his explanation of the eurozone’s asymmetry. Firstly, similarly to Bastasin, by tending to focus on global level causes, it is obviously more difficult to explain variations of experience and outcomes across the periphery of Europe. These limitations are in part a result of how financialisation is conceptualised in Patomäki’s framework. It is viewed as a global process, bound up in a perverse boom culture that has been opened up by new financial technologies that have outstripped regulative ability.²⁶ However, Patomäki does not offer an explanation of how financialisation emerges in different economies, and instead, largely assumes its inevitability, or its diffusion from the US to the European periphery. In doing so, he has difficulty in accounting for the specificities and variations of financialisation in crisis-hit states.²⁷ This leads to problems when, for example, Patomäki argues Ireland’s debt crisis resulted ‘solely from the global financial crisis’ (p. 58). In actual fact, Irish banks were not directly or substantially exposed to the US subprime or hedge fund sectors and Ireland’s domestic property bubble was mainly the result of lending through ‘traditional’ loans.²⁸ Bearing this in mind, it is not clear, in a theoretical sense, how the Irish banking crisis can be explained in terms of resulting ‘solely from the global financial crisis’.²⁹

²⁶ Ibid, 37,39.

²⁷ See Andrea Lagna, *Deriving a Normal Country: Italian Capitalism and the Political Economy of Financial Derivatives* (Doctoral thesis, University of Sussex, 2013), 2-4, <http://sro.sussex.ac.uk/47062/>; and Ewald Engelen, Martijn Konings, and Rodrigo Fernandez, “Geographies of Financialization in Disarray: The Dutch Case in Comparative Perspective,” *Economic Geography* 86, no. 1 (2010):53–73.

²⁸ See Gavin Doherty, ‘Credit Institutions Operating in the Irish Market: Their Exposures to Hedge Funds, Private Equity and the Subprime Sector’, *Financial Stability Report* (Irish Central Bank, 2007); Adam Masters, ‘Republic of Ireland: from Celtic tiger to recession victim’, in Paul ‘t Hart and Karen Tindall (eds.), *Framing the global economic downturn: crisis rhetoric and the politics of recessions* (Canberra: ANU E Press,2009),127.

²⁹ Patomäki, *Eurozone Disaster*,58.

In attempting to theorise asymmetry in the eurozone, *The Great Eurozone Disaster* further develops its analysis of ‘structural’ or systemic causes. Firstly, it recognises that there is a basic connection between trade imbalances and debt. Germany’s trade surplus is argued to correspond to the peripheral states deficit, noting that ‘[l]ost of this [German] surplus results from trade within the EU’ (p. 66). However, this argument has been critiqued on empirical grounds, and differences in competitiveness may actually emerge because of Germany’s superior links to trading partners in the core of Europe, the USA and China.³⁰ In fact, German exports to the eurozone periphery (especially to Ireland and Portugal) have been shown to be marginal, and are unlikely to account for the imbalances posited by Patomäki.³¹ Recently revised figures actually show that while exports are equivalent to around 43 per cent of Germany’s GDP, less than 37 per cent of these exports are to the eurozone.³² This empirical problem suggests a theoretical limitation for *The Great Eurozone Disaster*, as it suggests that asymmetry in Europe is not reducible to German dominance alone.³³

The major limitation of the Global Keynesian perspective flows from the analytical weight it places on structural or systemic causes. Because it has proposed a framework in which EMU is characterised strongly by a core-periphery relationship and the structural power of finance, there is little theoretical space to allow for the agency and varied

³⁰ See John Milios and Dimitris P Sotiropoulos, ‘Crisis of Greece or Crisis of the Euro? A View from the European ‘Periphery’, *Journal of Balkan and Near Eastern Studies* 12, no.3, (2010):234, 235.

³¹ Ibid,235.

³² See Gunnar Beck, ‘Germany is not profiting from the eurozone’, *The Guardian*, 7 January 2013. Accessed October 9,2013. <http://www.theguardian.com/commentisfree/2013/jan/07/germany-not-profiting-eurozone-export-boom>; ‘Dissecting the miracle’, *The Economist*. 15 June 2013. Accessed on October 9, 2013. <http://www.economist.com/news/special-report/21579145-ingredients-german-economic-success-are-more-complex-they-seem-dissecting>; Bastasin also notes that Germany’s ‘fastest-growing share of trade now derives from non-European markets’, *Saving Europe*, 156,157.

³³ Although Patomäki does not explicitly differentiate between trade and financial flows, none of this should be seen as denying the significant impact of the latter, as evidenced by the exposure of core banks to the periphery in the wake of the crisis (see Costas Lapavistas et. al., *Crisis in the Eurozone* (London; New York: Verso, 2012),29–34. However, the central point remains that analysing these flows through a ‘core-periphery’ prism can be limiting. For example, Patomäki does not explain why Ireland has tended to run trade surpluses while a member of EMU (ibid, 29,30), and why Spain is over twice as exposed to Portuguese debt than Germany (see “Eurozone Debt Web: Who Owes What to Whom?,” *BBC*, November 18,2011, sec. Business, <http://www.bbc.co.uk/news/business-15748696>).

experience of the peripheral states themselves. In this scheme, in order to account for the asymmetry we are concerned with, immaturity manifests as *victimisation*; rather than a failure to act *appropriately*, the peripheral state is represented with an inability to *act efficaciously* due to structural constraints. *The Great Eurozone Disaster* is successful in directing our attention to the global or ‘systemic’ causes of the Eurozone crisis, and is convincing to a large extent of the importance of such analysis. However, because it does not analyse processes of agency at the level of the peripheral states themselves, it encounters difficulty in understanding the asymmetry of the crisis without resorting to concepts of immaturity and victimisation.

Conclusion

Each book reviewed in this article can be seen as representative of an emerging trend in the study of the eurozone crisis that recognises the need to move beyond simplistic narratives regarding the fate of the peripheral European state. In spite of this, in considering their limitations, it is evident that rethinking the origins of the eurozone crisis also necessitates a rethinking of its asymmetries. In the absence of the latter, the immaturity thesis tends to be retained in these works, as a problematic, ‘go-to’, explanation for, even more critical, attempts at the former. Ultimately, these works have not yet found a way to represent the peripheral state as capable of acting ‘maturely’.

Nevertheless, fruitful starting points for future research are identifiable. In particular, there is potential to extend Lavdas, Litsas and Skiadas’ analysis of Europeanisation to the period before the crisis, in a way that incorporates Patomäki’s focus on the negative impact of external constraints on the development of the peripheral state, but does not divest the latter of its agency. In other words, future research could advance the critique of the immaturity thesis by developing a theory of European asymmetry that accords due analytical weight to

international constraints, while remaining theoretically and methodologically sensitive to agency and diversity of the peripheral state. In principal, such a framework could develop a theory of the divergence between European states in the run up to the crisis, without a reductive focus on ‘immature’ domestic political governance.